The New York Times

A New Center Being Born

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December 20, 2018

Are you optimistic or pessimistic about America's future? I'm optimistic. I say that because there have been many moments in our history when old ideas and old arrangements stopped working and people chopped them up. Those transition moments were bumpy, and it was easy to lose hope, but then *people figured it out*. Never underestimate the power of human ingenuity.

The same process is happening today. Americans have lost faith in the big institutions of society. Many fly off to extremes, to the Donald Trump right or the Bernie Sanders left. Most of the rest of us feel adrift, gloomy and politically homeless.

But *people figure it out*. New ideas emerge. Old ideas are put together in new ways. Today, I offer you just one example — the Niskanen Center, which has become one of the most creative think tanks in America today.

The Niskanen Center began operations in 2015, started by a group of libertarians who broke off from the Cato Institute. Over the next few years many of the leaders of Niskanen began to lose faith in the libertarian ideology. The founder, Jerry Taylor, wrote a <u>brilliant essay</u> in October explaining the process.

The first cracks were over the issue of global warming. Libertarianism is a philosophy that emphasizes limited government, free markets and individual rights. There is nothing in that creed that should bias a person one way or another over whether global warming is a serious problem or not. That's a scientific question, not a philosophical one.

Yet Taylor found that many libertarians, fired by ideological zeal, had slid into the position of minimizing climate change because they didn't like some of the big government remedies that were being proposed to address it. Once he saw this tendency on climate change, he saw it everywhere and on all sides: People with single all-explaining ideologies have a tendency to let their philosophic blinders distort how they view empirical reality.

Taylor didn't abandon his faith in markets and individual rights, but he decided to abandon the belief that a single ideology can be applied to all problems. There are a lot of different goods in society: liberty, social justice, equity, community, virtue, prosperity. It's crazy, Taylor argued, to prioritize one of those goods in nearly every single policy context. And yet that's what ideologues do.

Taylor and his colleagues embraced a posture of epistemological modesty, threw off the ideological style of thinking and began to notice something: *that the central debate in our politics is completely bogus*.

Since at least 1964, American politics has pitted conservatives who believe in a small government and a free market against liberals who believe in a bigger government.

But Niskanen thinkers like Ed Dolan, Samuel Hammond and Will Wilkinson made a simple and empirically verifiable observation. The nations that have the freest markets also generally have the most generous welfare states. The two are not in opposition. In the real world they go together.

The key distinction you have to make, Will Wilkinson writes, is between the redistributive state and the regulatory state. Nations like Denmark, Sweden and Canada built elaborate redistributive states to give their citizens a foundation of economic security. Then they realized they were going to have to liberalize their economies if they were going to be able to afford their welfare states.

Today, those nations have many fewer regulations governing zoning and economic activity. They score very high on the rankings of economic freedom that are put together by conservative outfits like the Heritage Foundation and the Fraser Institute.

Last week, Niskanen released a comprehensive report called, <u>"The Center Can Hold: Public Policy for an Age of Extremes,"</u> written by Brink Lindsey, Steven Teles, Wilkinson and Hammond. The report is a manifesto for a new centrism based on what the authors call a "free-market welfare state" model.

They want government to protect citizens against the disruptions of global capitalism: "Without strong income supports that put a floor beneath displaced workers and systems that smooth the transition to new employment, political actors and the public tend to turn against the process of creative destruction itself."

At the same time, they want an open, dynamic society. They want to reduce restrictive zoning and land use regulations that favor the rich and entrenched. They see immigration as crucial to America's long-term prosperity. They want charter schools and wider choice, but within strong government structures to ensure quality. (It turns out that bad charter schools continue to attract students; the education market doesn't work totally unregulated.)

The Niskanen authors are making a compelling case for moderation; for understanding that politics is striking a rough but workable balance between competing goods; for understanding that the world is complex and our knowledge is limited, and so it's best to proceed constantly, but skeptically.

As I was reading the Niskanen report I experienced two strange sensations: I felt liberated to see the world in fresh new ways, and not only in the ways I've always seen them or the way people with my label are supposed to see them. I began to feel at home.